18 JAN 1968

## MEMORANDUM FOR THE RECORD

SUBJECT

Shipment of Household Effects from Two or More Points in Connection with PCS Transfers

- 1. Among the suggestions referred to the Administrative Task Force was a proposal that this Agency follow the State Department practice of authorizing shipment of household effects from two or more points in connection with PCS transfers.
- 2. I talked on the telephone this morning with Mr. Bernstein of the Travel Regulation Staff in the State Department to ascertain whether they are providing employees with any broader entitlement in the subject area than is provided by this Agency. In short, they are not. The State Department practice according to Mr. Bernstein is in strict adherence with a literal interpretation of paragraph 163a of the Foreign Service Travel Regulations which is quoted below:

"Each employee is responsible for any transportation, demurrage, storage, customs, cartage or other costs incurred by him or his agent which are not authorized by laws and regulations governing the shipment of his effects at Government expense.

If effects are shipped between points other than those authorized, only constructive costs, based on actual weight shipped, but not in excess of actual cost, are allowable."

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3. The Agency

on this point is as follows:

"ELECTIVE ALTERNATIVES. An employee may elect, without amendment to the travel order, to ship effects by means not usually employed, or to or from a point not specified in the travel order, provided the actual origin or the actual destination is that authorized and further provided that, on transfers from a domestic post to a post

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Solution automatic
downgrading and

abroad, effects may not be shipped to points other than the prospective post or the place of storage. Reimbursable costs will not exceed those which would have been incurred had shipment been made in one less by transportation means usually employed and between the points specified in the travel order."

4. The Agency regulation is being interpreted as permitting shipments of household effects from two or more locations with the employee being responsible for only such portion of the aggregate actual cost of such shipments as exceeds the constructed cost of the actual weight of such shipments (not to exceed authorized weight) for a one lot shipment by transportation means usually employed between the points specified in the travel order. Mr. Bernstein affirmed that the State Department regulation is being interpreted in the same manner. The following example was used as a basis for assuring that we were on common ground in our conversation.

"Assume an employee is authorized to transfer from Washington to a post abroad and that he has an authorized weight limitation of 5,000 lbs. He ships 3,000 lbs. from Washington and 1,000 lbs. from Chicago. His reimbursable cost would be his actual cost not to exceed the constructive cost of shipping 4,000 lbs. from Washington to his post in a one lot shipment. Mr. Bernstein made a point of emphasizing that the construction in the above illustration would be based on the 4,000 lbs. actually shipped, and not against the 5,000 lbs. authorization."

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Chief, Policy and Planning Staff, OF

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